

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Adult Social Care
Date:	23 November 2016
Title:	Novation of Contracts to C.H.O.I.C.E
Reference:	7872
Report From:	Director of Adults' Health and Care

Contact name: Jason Norum

Tel: 01962 847944

Email: jason.norum@hants.gov.uk

1. Executive Summary

- 1.1. The purpose of this paper is to seek permission from the Executive Member for Adult Social Care to approve the novation of a number of existing contracts with companies within Choicecare Group to a single company within the group, Community Homes of Intensive Care and Education (C.H.O.I.C.E.) Limited, following an internal reorganisation within that Choicecare Group. For the purpose of contract standing orders, this novation represents a modification to existing contracts of value greater than £1 million and as such requires approval from the Executive Member for Adult Social Care.
- 1.2. If approval to the modification of contracts is given, then consent to the assignment of rights and novation of obligations under the contract(s) to Community Homes of Intensive Care and Education Limited would be provided.

2. Contextual information

- 2.1. In September 2016 Hampshire County Council received notification from Choice Care Group Ltd., Truecare Group Ltd. and Excel Support Services Ltd., which are all part of Choice Care Group, that as part of an internal reorganisation they would be transferring all of their trade and assets to another part of their group Community Homes of Intensive Care and Education (C.H.O.I.C.E.) Limited from 1 October 2016.
- 2.2. Spend for delivering these services is already in place; the novation involves transferring existing contracts to another entity within the same organisation that currently holds these contracts.
- 2.3. The two residential and nursing care contracts, Choice Pathways and Truecare Group, are subject to Hampshire County Council's *Nursing and Residential Provider* contracts.

- 2.4. The two contracts currently held by Excel Support were awarded under the *Shared Living and Support Framework*. They commenced on 30 March 2015 and are scheduled to end on 29 March 2018; however there is an option to extend them until 29 March 2022.
- 2.5. The value of the residential and nursing contracts over a four year period is:
- | | |
|----------------------------|--------------|
| Choice Pathways (4 years): | £4.77million |
| Truecare Group (4 years): | £5.75million |
- 2.6. The value of the contracts with Excel Support Ltd, under the maximum period of the *Shared Living and Support Framework* (7 years) is £4.9 million.
- 2.7. These proposals would not have any impact on service users.

3. Proposals

- 3.1. In order to meet our statutory duties to ensure safe delivery of care for clients, and to ensure there is no disruption to paying the provider, it is proposed that the contracts currently with Choice Care Group, Truecare Group and Excel Support Services are novated to C.H.O.I.C.E (Community Homes of Intensive Care and Education) Limited.
- 3.2. In order for those services which are currently part of the *Shared Living and Support Framework*, i.e. those operated by Excel Support Services Ltd, to be novated to C.H.O.I.C.E, C.H.O.I.C.E would be required to be admitted onto the *Shared Living and Support Framework*. C.H.O.I.C.E have submitted the appropriate documentation, equivalent to that originally submitted by Excel Support Services Ltd, to access the *Shared Living and Support Framework*. This has been subject to the same level of evaluation to that originally applied to applications in order to be admitted to the framework and it has met the framework's qualitative selection criteria and requirements.
- 3.3. Interim payment arrangements are being made to the provider to ensure that they can continue to provide the services.

4. Financial Implications

- 4.1. There are no financial implications of these proposals; they would not involve any additional spend or change to the duration of the contracts.

5. HR implications

- 5.1. As the services that are referred to in this report will continue to be provided by an independent Service Provider there are no Hampshire County Council staff issues involved with this process.

6. Legal implications

- 6.1. Although admission onto a Framework after it has closed is not permitted, under Regulation 72 (i) d of the Public Contract Regulations 2015, this is permissible in circumstances where there has been universal succession into

the place of the initial contractor following a merger or acquisition of another provider that fulfils the criteria for qualitative selection initially established and where other substantial modifications are not made to the contract. C.H.O.I.C.E. will need to have met the requirements of the Regulations and the minimum qualitative selection criteria of the Shared Living and Support Framework prior to novation being formalised.

6.2. In exercising its functions an authority must have due regard to the need to:

Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equalities Act and advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

7. Equalities impact assessment

7.1. Given that these proposals would have no impact on either people who use these services or the staff working in the services an Equalities Impact Assessment has not been carried out.

8. Recommendations

8.1. That the Executive Member for Adult Social Care approves the novation of the contracts, as set out in this report, to C.H.O.I.C.E. (Community Homes of Intensive Care and Education).

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	Yes
Maximising well-being:	Yes
Enhancing our quality of place:	No

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Reference</u>	<u>Date</u>
Support to Stay at Home – Category Management Strategy	5468	24 January 2014

IMPACT ASSESSMENTS:

1. Equality Duty

- 1.1. Given that these proposals would have no impact on either people who use these services or the staff working in the services an Equalities Impact Assessment has not been carried out

2. Impact on Crime and Disorder:

There will be no significant impact on crime and disorder

3. Climate Change:

These proposals will have no impact on climate change.